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SENATE BILL 374

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

Gerald P. Ortiz y Pino

AN ACT

RELATING TO TAXATION; EXPANDING THE RURAL HEALTH CARE  
PRACTITIONER TAX CREDIT TO PROVIDE AN INCOME TAX CREDIT FOR  
PHARMACISTS AND PHARMACIST CLINICIANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-2-18.22 NMSA 1978 (being Laws 2007,  
Chapter 361, Section 2) is amended to read:

"7-2-18.22. TAX CREDIT--RURAL HEALTH CARE PRACTITIONER  
TAX CREDIT.--

A. A taxpayer who files an individual New Mexico  
tax return, who is not a dependent of another individual, who  
is an eligible health care practitioner and who has provided  
health care services in New Mexico in a rural health care  
underserved area in a taxable year, may claim a credit against  
the tax liability imposed by the Income Tax Act. The credit

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1 provided in this section may be referred to as the "rural  
2 health care practitioner tax credit".

3 B. The rural health care practitioner tax credit  
4 may be claimed and allowed in an amount that shall not exceed  
5 five thousand dollars (\$5,000) for all eligible physicians,  
6 osteopathic physicians, dentists, clinical psychologists,  
7 podiatrists and optometrists who qualify pursuant to the  
8 provisions of this section, except the credit shall not exceed  
9 three thousand dollars (\$3,000) for all eligible dental  
10 hygienists, physician assistants, certified nurse-midwives,  
11 certified registered nurse anesthetists, certified nurse  
12 practitioners, ~~and~~ clinical nurse specialists, pharmacists  
13 and pharmacist clinicians.

14 C. To qualify for the rural health care  
15 practitioner tax credit, an eligible health care practitioner  
16 shall have provided health care during a taxable year for at  
17 least two thousand eighty hours at a practice site located in  
18 an approved, rural health care underserved area. An eligible  
19 rural health care practitioner who provided health care  
20 services for at least one thousand forty hours but less than  
21 two thousand eighty hours at a practice site located in an  
22 approved rural health care underserved area during a taxable  
23 year is eligible for one-half of the credit amount.

24 D. Before an eligible health care practitioner may  
25 claim the rural health care practitioner tax credit, the

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1 practitioner shall submit an application to the department of  
2 health that describes the practitioner's clinical practice and  
3 contains additional information that the department of health  
4 may require. The department of health shall determine whether  
5 an eligible health care practitioner qualifies for the rural  
6 health care practitioner tax credit and shall issue a  
7 certificate to each qualifying eligible health care  
8 practitioner. The department of health shall provide the  
9 taxation and revenue department appropriate information for all  
10 eligible health care practitioners to whom certificates are  
11 issued.

12 E. A taxpayer claiming the credit provided by this  
13 section shall submit a copy of the certificate issued by the  
14 department of health with the taxpayer's New Mexico income tax  
15 return for the taxable year. If the amount of the credit  
16 claimed exceeds a taxpayer's tax liability for the taxable year  
17 in which the credit is being claimed, the excess may be carried  
18 forward for three consecutive taxable years.

19 F. As used in this section:

20 (1) "eligible health care practitioner" means:

21 (a) a certified nurse-midwife licensed  
22 by the board of nursing as a registered nurse and licensed by  
23 the public health division of the department of health to  
24 practice nurse-midwifery as a certified nurse-midwife;

25 (b) a dentist or dental hygienist

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1 licensed pursuant to the Dental Health Care Act;

2 (c) an optometrist licensed pursuant to  
3 the provisions of the Optometry Act;

4 (d) an osteopathic physician licensed  
5 pursuant to the provisions of Chapter 61, Article 10 NMSA 1978  
6 or an osteopathic physician assistant licensed pursuant to the  
7 provisions of the Osteopathic Physicians' Assistants Act;

8 (e) a pharmacist or pharmacist clinician  
9 licensed pursuant to the Pharmacy Act;

10 [~~(e)~~] (f) a physician or physician  
11 assistant licensed pursuant to the provisions of Chapter 61,  
12 Article 6 NMSA 1978;

13 [~~(f)~~] (g) a podiatrist licensed pursuant  
14 to the provisions of the Podiatry Act;

15 [~~(g)~~] (h) a clinical psychologist  
16 licensed pursuant to the provisions of the Professional  
17 Psychologist Act; and

18 [~~(h)~~] (i) a registered nurse in advanced  
19 practice who has been prepared through additional formal  
20 education as provided in Sections 61-3-23.2 through 61-3-23.4  
21 NMSA 1978 to function beyond the scope of practice of  
22 professional registered nursing, including certified nurse  
23 practitioners, certified registered nurse anesthetists and  
24 clinical nurse specialists;

25 (2) "health care underserved area" means a

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1 geographic area or practice location in which it has been  
2 determined by the department of health, through the use of  
3 indices and other standards set by the department of health,  
4 that sufficient health care services are not being provided;

5 (3) "practice site" means a private practice,  
6 public health clinic, hospital, public or private nonprofit  
7 primary care clinic or other health care service location in a  
8 health care underserved area; and

9 (4) "rural" means an area or location  
10 identified by the department of health as falling outside of an  
11 urban area."

12 Section 2. APPLICABILITY.--The provisions of this act are  
13 applicable to tax years beginning on or after January 1, 2010.

14 Section 3. EFFECTIVE DATE.--The effective date of the  
15 provisions of this act is January 1, 2010.